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The newspaper of drug store retailing

May 20, 1991

DRUG STORE NEWS®

Vol. 13 No. 10

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LATE NEWS

- **Twinsburg, Ohio — Revco will buy 31 Peoples stores in Virginia and North Carolina from CVS.**
- **Minneapolis — Former SupeRx (Ariz.) vp Bob Uecker becomes Target's director of Rx operations.**
- **Akron, Ohio — U.S. Bankruptcy Court gave Revco until Aug. 7 to file a plan, but killed a bondholder's motion to set a deadline for conversion to Chap. 7 liquidation.**

FEATURES

Ethnic returns steady at chains

Chains are hoping innovative products launches will rejuvenate single-digit growth ethnic sales. Page 21.

Hot category turns chains on

Drug chains are taking advantage of bulb vendors' new products and merchandising systems. Page 13.

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SECOND CLASS

Fay's Carls buy, a 'perfect fit'

By David Vaczek

LIVERPOOL, N.Y. — Fay's added marketing clout and cost efficiencies in key upstate New York communities through its purchase of Carls Drug, completed last month.

Described as a "perfect fit" by Fay's Chairman Henry Panasci Jr., the merger will provide an edge in markets where CVS and combo store dynamo Wegmen's apply constant competitive pressure.

Upstate independents, strengthened by wholesaler voluntary programs, and top grocery operator Hannaford Bros., which has targeted New York with a next-generation food/drug format, have provided consumers with other alternatives for prescriptions and drug store merchandise.

Fay's growth in recent years has been in urban areas and in small towns and rural areas through purchases of independants and bantam-sized stores as well as through new store construction.

As Carls is integrated into Fay's, Fays will benefit from economies of size, for example in advertising. One circular can serve a market, where two might have been used before, Panasci told Drug Store News.

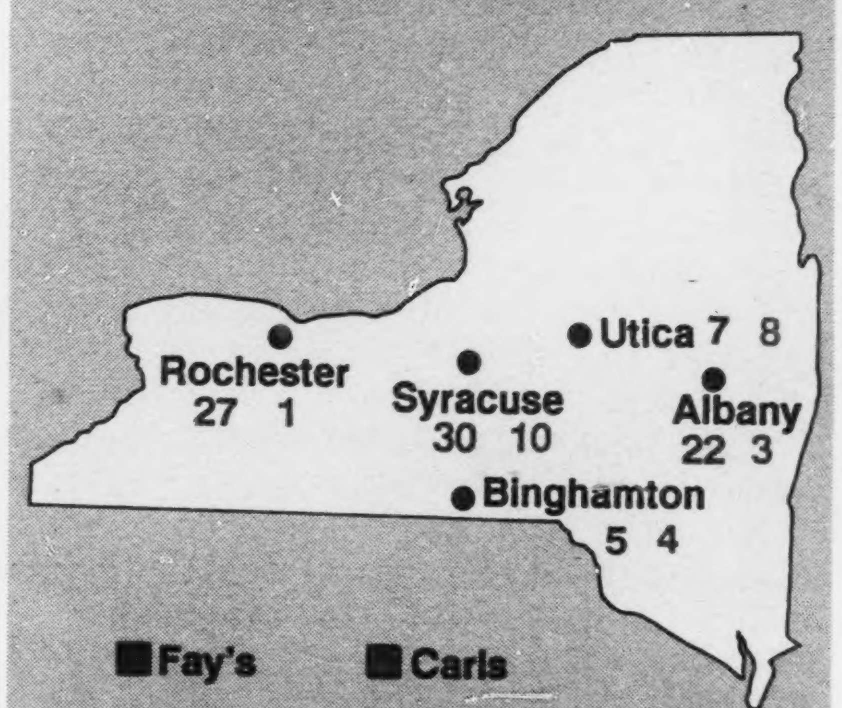
Panasci said four of the 48 Carls purchased from Norwich, N.Y. based Victory Markets — two in Binghamton, one in Ithaca and one in Auburn — will be closed. With the buy, Fay's adds about $100 million in sales. Fays, Inc. tallied $672.6 million sales in the fiscal year ended January 1991, not counting Carls.

Conversion of the stores to Fay's — planned for completion by the end of July — won't require extensive changes at Carls which, with slightly smaller stores, has "mirrored" Fay's merchandise assortment, according to Panasci. Excess Carls product will be sold through a former Fay's store in Buffalo, the ceo added.

The new stores fall within the existing

See **Fay's** *page 45*

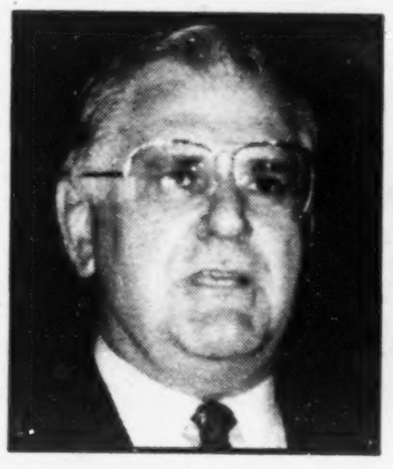
Fay's builds share in key N.Y. markets*



*Store totals for Standard Metropolitan Statistical Areas, which include the cities.
Source: Metro Market Studies

'91 NACDS Annual Meeting at The Breakers

Attendees put alliance-building into practice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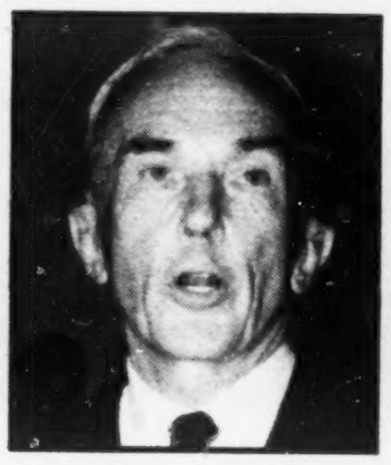
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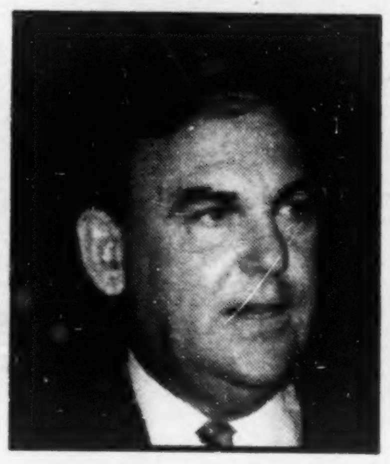
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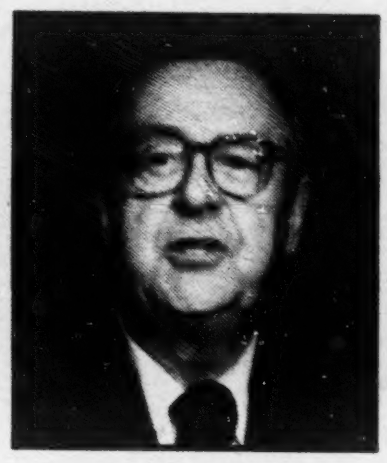
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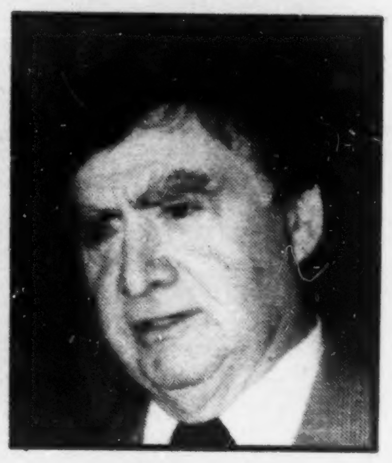

Salinger

Alliance &
Progress

PALM BEACH, Fla. — The 2,200 retailers, suppliers and guests who packed The Breakers for the 1991 NACDS Annual Meeting seemed to take to heart the conference's theme, "Alliance & Progress."

The four-day event broke new ground in the steadily improving relationships between the supplier and retailer sides of the chain drug industry, with an air of mutual respect permeating the constant rounds of business sessions, meetings and social gatherings at this showcase resort that has come to be almost synonymous with the annual industry event. Vendors and chain executives seemed to make a concerted effort to clear the air and lend substance to the wishful words of conference speakers who urged a better partnership between the two sides.

Thus, the event could be described as friendly, informal and even relaxed as in years past—but at the same time as focused and workmanlike. Even the parties had an air of purpose behind the merrymaking; that purpose: to forge closer alliances with key vendors and thus grow stronger in an era of dizzying change.

"The annual used to be almost completely social in the way it was conducted, but in

See **NACDS** *page 6*

Medicine Shoppe set sights on Taiwan

By Elizabeth Richardson

ST. LOUIS — Medicine Shoppe International (MSI) has reached a Master License Agreement with Pro Healthcare of the Republic of China, Taiwan. The agreement, which is being reviewed by the Republic of China, would allow MSI to consult with Pro Healthcare to open Medicine Shoppes in Taiwan. Approval by the government could come within 30 to 90 days.

MSI began working on the agreement last summer, when F.M. Chang, president of Pro Healthcare, approached several U.S. businesses about a Taiwanese franchise operation. Chang, a faculty member at the Taiwan pharmacy school, is active in the Pacific Rim pharmacy group, also serving Vietnam, Korea and the Philippines. His experience helped boost MSI's confidence in the proposed operation.

The Medicine Shoppe® Prescription Centers

Medicine Shoppe International, Inc.

"Pro Healthcare and its executives are deeply rooted in the profession of pharmacy," said Ron Hofmeister, MSI's executive vp. "It's a tremendous opportunity to take the Medicine Shoppe concept to the Taiwanese people, and a tremendous opportunity for them to be leaders in independent pharmacy."

Diverse market

Hofmeister explained that the Taiwanese pharmacy market is a diverse one. "On one block of a town, you will find

See **Medicine Shoppe** *page 45*

NEWS IN BRIEF

Boyd named Rx director at Safeway

OAKLAND, Calif. — Safeway announced that Dick Boyd has been named director of pharmacy for the supermarket company.

Boyd, former vp, pharmacy operations for American Drug Stores, sees a tremendous opportunity for Safeway to push ahead aggressively in the pharmacy business. He told *Drug Store News* that the company's intent was to put as many pharmacies in their stores, both new and remodeled units, as possible.

With 33 years in the drug store business, many of them as a Longs pharmacy executive, Boyd sees the move as "a good fit." "With my experience in all phases of the drug store and pharmacy operations business, and the company's target for aggressive growth, the match is a good one," he said.

Revco exec Arthur Maine dead at 51

TWINSBURG, Ohio — Arthur Maine, who was senior vp in charge of personnel at Revco D.S., died suddenly April 19 of a heart attack. Maine, 51, was in California to be on hand for the return of his son, who was serving with the Navy in the Persian Gulf.

Maine started with Revco in November 1987, as senior vp-personnel after a 22-year career with The Sherwin-Williams Co. "Art Maine was the first executive I recruited for the new team here at Revco," wrote company chairman and ceo Boake Sells in a letter to employees. "He shared my conviction that people were what mattered most in this company's turnaround.

"The first thing he did here was to remove the time clocks and reserve parking from corporate headquarters," Sells went on. "One of the next things he did was help me set up my company-wide employee call-ins . . .This is a big loss to all of us."

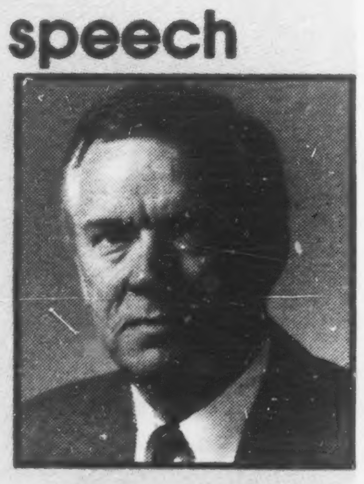
Alco becomes RDS's No. 1 wholesaler

PHOENIX — RDS has picked Alco Health Services as its primary wholesaler for pharmaceuticals. Bob Oberfield, RDS executive vp-administration, said shipments began about March 1. Alco is supplying approximately 163 RDS stores in Arizona, Texas, New Mexico and Colorado with pharmaceuticals and a limited amount of OTCs from its Louisville, Ky., and Columbus, Ohio warehouses. Because of the distance, some shipping will be by air, via UPS, which has a hub in Louisville, as well as by truck.

RDS names two key executives

PHOENIX — In a restructuring move, RDS has named two regional managers to replace Orlie Segneri, who left the chain in January to pursue other interests. They are Steve Thayer, who is responsible for the Arizona region, consisting of about 85 stores, and Sal Romo, who is responsible for approximately 70 RDS stores in Texas, New Mexico and Colorado. Both are former longtime Revco associates.

Eckerd's Turley plans AHBAI speech


Stewart Turley

HILTON HEAD, S.C.—Stewart Turley, chairman and president, Jack Eckerd Corp., will be the keynote speaker at the American Health and Beauty Aids Institute's 9th annual Mid-Year Conference here June 1-4.

Turley is scheduled to speak June 2. The theme of the AHBAI conference is "Urban Marketing Part II—Macro Profits from Micro Markets."

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Genovese's 'green' ad promo draws a big local response

By Susan Ball

MELVILLE, N.Y. — Genovese Drug Stores broke its first ad devoted to environmentally responsible products the first week of April, appropriately timed to anticipate Earth Day April 22.

The full-page print ads ran a week and included paper towels and tissue from Marcal, Arm & Hammer baking soda and detergent, Tampax tampons and Earth Rite bathroom and kitchen cleaners.

Genovese buyer Arnold Portnoy, who spearheads Genovese's 2-year-old task force on environmental issues, said the chain was amazed at the response from communities as well as customers. Two towns even called to request that Genovese stock brown lawn and leaf bags and clear plastic garbage bags. (Genovese plans to.)

Genovese is taking a "very conservative, very careful" approach to environmental issues, Portnoy said, weeding through hundreds of products with green claims to select the most "through-and-through" environmentally sound items.

He pointed out that consumers not only got a good price on the items, they also could get free extras: from Arm & Hammer, an environmental wheel containing 37 cleaning and personal-care uses for its products, and from Tampax, a paperback book, *50 Simple Things You Can Do to Save the Earth*. By purchasing Marcal products, they helped Genovese accrue funds to support of Marcal's Plant a Tree program. (Through this program, Genovese chooses the communities to which funds will be donated for tree plantings.)

The ads are part of a larger effort by Genovese to focus on environmental concerns. The chain is also talking to private-label vendors about labeling, use of polyethylene terephthalate (PET) in packaging and the like. It's considering using shelf signage to indicate environmental claims. And it has started internal practices, such as recycling office paper and switching from styrofoam cups to ceramic mugs.

Marc's gets cooking again with plans for new units, spiffier store layouts

CLEVELAND — Marc Glassman, Inc. is accelerating its growth plans after a period of relative quiescence here, with plans for several more deep discount drug stores this year and next.

The chain opened Store No. 21 on Puritas Road on Cleveland's west side in February, and will add another Cleveland-area unit in June. Said one source at the company, "We've got several things cooking right now. We'll open a few more stores in '91, mostly around midyear, and a few in '92 also."

The chain of off-price stores is also looking at new store layouts, improved store automation to cut shrink and boost productivity, and "anything that can improve the bottom line," said a company spokesman. Marc's also has an ongoing remodeling program for older stores.

Founded by president and ceo Marc Glassman and run by a lean staff of young executives, Marc's helped define the off-price drug store concept in the late 1970s and early 1980s, and was on a fast-growth track in the mid- to late-'80s. Glassman learned the business while working for Bernie Shulman's, a pioneering deep-discount drug operation in Cleveland which Glassman has since added to his own store network.

As one of deep discounting's most successful entrepreneurs, Glassman specializes in rapid-fire, in-and-out promotional buys, a shifting mix of deal merchandise and massive, cut-case displays of paper products, snack and grocery items, hair care products and other merchandise. He operates 18 Marc's, Bernie Shulman's and Jote's off-price stores in northeast Ohio, as well as three Xpect stores in Connecticut. Sales last year exceeded $300 million.

F&M will crack Boston market in fall

WARREN, Mich. — F&M Distributors will leap into another major market and extend its reach east into New England with the openings of four new stores in metropolitan Boston this fall.

The four deep-discount stores will hold simultaneous grand openings sometime before Christmas to herald a rapid push into the nation's ninth-largest drug store arena, according to F&M president and chief executive Frank Newman.

Boston is relatively free of deep discount drug retailing thus far, so F&M will face the twin challenge of educating consumers to the off-price concept while it strives to quickly create an image for itself in a new market.

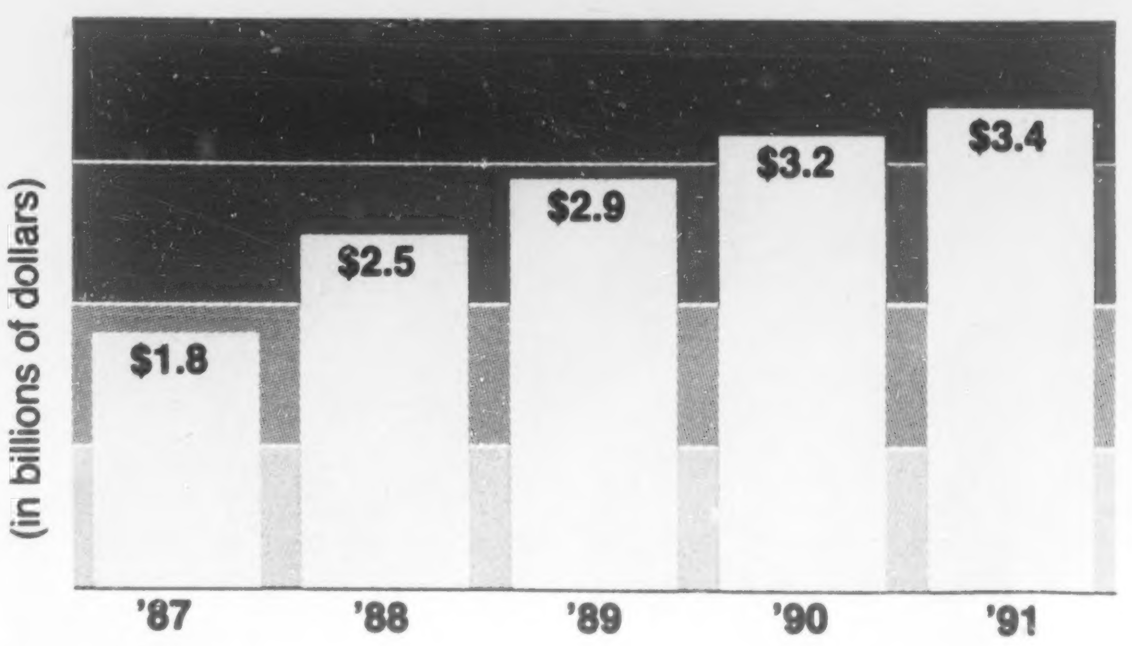
The push into Boston extends F&M's strategy of concentrating its stores in and around major metropolitan areas. The off-price chain has spread rapidly beyond its hometown roots in greater Detroit since Newman took the leadership reins in the mid-1980s, and has tripled in size.

F&M will open its 100th store in June and should hit 113 units by the end of the year, fulfilling the predictions for rapid growth that Newman made several years ago.

Correction

In the May 6, 1991 issue, *Drug Store News* mistakenly transposed figures in a chart detailing Rite Aid's five-year sales trends. A corrected chart appears below:

Rite Aid sales



FY ended 3/2/91.
Source: Company reports.

Alliance fever runs high at NACDS Annual

IN THE MARKET
BRUCE BUCKLEY

On Monday on an unseasonably hot day in late April the twin towers of the landmark Breakers Hotel in Palm Beach suddenly looked strange. Atop the south tower where the NACDS banner has traditionally flown during the association's annual meeting was a different pennant bearing a green and white checkerboard pattern. What was going on?

It turned out that Palm Beach officialdom had suddenly decided to enforce a 10-year-old law prohibiting the display of private pennants, such as the one that had flapped atop the Breakers during so many NACDS meetings over the years. If any flag was to be flown next to Old Glory, it had to be Flagler County standard. Whatever his private feelings, Ron Ziegler asked the Breakers to comply with the rule. The NACDS flag was struck.

It was a minor setback in a meeting that set new standards for the depth of its business presentations and, as our front page story notes, in the spirit of cooperation among retailers and suppliers.

The three business sessions were outstanding. Playing off the theme "Alliance & Progress," the sessions moved from the international arena—with especially perceptive commentary on the recent Gulf War by John Chancellor, Pierre Salinger and Ron Ziegler—to business issues of paramount importance to the retailers and manufacturers in attendance. These issues revolved around the shifting patterns in the buyer-seller relationship, the importance of alliances and the emerging threats to the heart of the drug store business—pharmacy.

The alliance aspect is well covered by Jim Frederick in his front page stories and by executive editor Al Heller in his column below.

On the pharmacy issues, there was a highly instructive panel discussion ably led by *Pharmacy Times* editor and publisher Ray Gosselin.

Out of all the questions, the opinions, the back and forth interplay of ideas, a couple of words and phrases shouted out for me: Chaos and collision course, the first describing the uncertainty of today's health care climate with rising consumer expectations and dwindling resources; and the second describing the rising tension between the need for more patient consultation from pharmacists and the need for fair reimbursement to cover the cost of those services. Plenty of questions, very few answers. But the interchange was important. Out of the chaos, with organizations like NACDS leading the way, will come new ideas and fresh solutions. Count on it.

* * *

Many U.S. companies are involved globally, but can you think of a drug store retailer that's moved into the international arena? I can't. But now Medicine Shoppe is moving into an entirely new enterprise abroad (Page 1).

If plans are approved by the Taiwanese government, Medicine Shoppe will become a consultant to a company called Pro Health Care of the Republic of China, Taiwan. MSI will train Pro Health Care in the intricacies of setting up and running Medicine Shoppe franchises.

Taiwan's retail climate is vibrant and fast-evolving, as Elizabeth Richardson's story indicates. Thus there are opportunities for new ideas and new retail formats. Says MSI's executive vp, Ron Hofmeister: "It's a tremendous opportunity to take the Medicine Shoppe concept to the Taiwanese people, and a tremendous opportunity for them to be leaders in independent pharmacy."

Creative alliances are currency of the '90s

THE HUMAN SIDE
AL HELLER

Citing that famous American philosopher Yogi Berra, "the future just isn't what it used to be," Harvard Business Review editor Rosabeth Moss Kanter told a packed NACDS Annual Meeting ballroom audience in Palm Beach that crisp business thinking must be constantly updated because marketplaces are shifting rapidly.

"New consumer loyalties, mergers and acquisitions. . .create the need to assume constant change and plan for that change with collaborations," she said.

Whether those retailer-supplier collaborations are balanced is another matter. At the outset of a panel she moderated on alliance building, Kanter told this tale:

A pig and a chicken were discussing their ham and egg breakfast. 'Why are you so concerned?' asked the chicken. 'For you it's a contribution; for me it's a total commitment,' said the pig.

"There are no products anymore, just services," Kanter declared. When people use products and they work well, that's perceived as a service.

Yes, she said, large chains have consolidated, have more information and pharmacy is more sophisticated, so they have greater leverage. "But consumers have the real power and more choices than ever before," she added. "They have a pressured and busy life. They want to shop for price, but also want convenience, quality and service. That's a daunting challenge."

Kanter spoke of American Airlines as a model of "creative collaborations" that have enabled the airline to sidestep many troubles plaguing that industry. Its secret: closeness to its customers, first with its SABRE reservations system placed with travel agents nationwide, and second, with consumer marketing such as the mileage award program to build loyalty.

Clearly, the drug trade is far less high-flying in this area, judging by the comments of some of the panelists:

Hal Chappelear, executive vp of Upjohn: "One of the first questions we hear on building collaborations is: How long is this going to last? Today there is more of a business focus on how we make agreements."

John Jennings, vp-marketing, Brooks: "The quality of sales calls affects our time to respond. . . . It amazes me how many account reps don't make use of available information to learn a chain's strategic direction."

Vern Brunner, executive vp-marketing of Walgreens: "One of our biggest challenges is how suppliers interpret their data and what they'll bring forward."

Bob Hannan, president of Thrift: "The old Field of Dreams program of building stores and customers will come is over. We must find niches, which vary from community to community . . .The customer is not the retailer. The customer is the consumer."

Retailers in other trade classes have entered high-level collaborations with Procter & Gamble, for instance. Among them: Wal-Mart, Smith Managementand A&P. This concept can be expanded in the drug class only if upstairs execs from both sides insist on such relations, peel away their adversarial facades and work to foster trust.

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VP/Publisher **JAY FORBES**
Editor **BRUCE BUCKLEY**

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Multi-packs grow despite flat battery market

Battery-gobbling equipment has fueled the high-ticket growth of multi-packs.

Battery sales reached a plateau in drug stores last year, but that didn't prevent merchandisers from heavily emphasizing this productive category.

A high percentage of battery sales are made on impulse. While chains chase these sales with secondary locations throughout their stores, many want to be even more aggressive. Thus they promote batteries constantly, seeking sales with average 25% margins on ad and 40% everyday.

Productive category

And those profits come in minimal space. According to Duracell, batteries yield $46.14 weekly gross profit per cubic foot, compared to $17.10 for film, $23.78 for front-end magazines, and $39.85 for razors and blades. Audio and video tape is one of the few categories that can top batteries in space productivity.

Industry sources say battery sales have slowed not just in drug stores but overall, and the reasons are simple. First, no significant new battery-using devices have emerged—as for example portable cassette players in the mid-1980's—and second, batteries are lasting longer; today's alkalines have a 20 percent to 50 percent longer life than the alkalines of just three years ago.

"Sales in drug stores flattened out, as have [sales in] food," says Eveready's Gary Baker, director of sales. "The chain drug store is having a hard time finding more space." Eveready's shrink-wrapped Space Pack and Family Packs, with one third the size of blister packs, can maximize space, and allow displays at the tight checkstand. Rayovac's shrink-wrapped Smart Pack has followed a similar philosophy.

Growth of multi-packs

Battery-gobbling equipment, led by audio devices, lighting products and toys, has fueled the high-ticket growth of multi-packs which consumers see as giving value and convenience.

"The key to driving battery sales at retail is the multi-pack," says Bruce Travis, Duracell's vp sales.

The multi-pack category grew more than 58 percent in the 12-month period ended June 1990, according to A.C. Nielsen research. Duracell said that four-packs of C's and D's grew 195 percent, as "AA" eight-packs grew 61 percent.

Tabs and coupon books

Phoenix-based RDS Drugs will develop a program using an everyday planogram of Eveready, Duracell and Rayovac, and will promote batteries in virtually every tab, as well as two coupon books, year-round, says Gene Bailey, director of merchandising.

"Our philosophy is to promote from within our basic departments," so most likely only those three vendors will be featured in promotions, said Bailey. Besides an eight-foot planogram and some end-stand planograms, the Rayovac Smart Pack—a value to consumers, said Bailey—might be featured at some checkstands.

Genovese Drugs on Long Island is testing Eveready's Space Pack and Family Packs in two stores where the chain has scanning. The items have posted positive movement, but base sales are hard to judge as the chain promotes batteries in every circular, alternating between Eveready and Duracell, said Lenny Genovese, buyer.

Begley in Knoxsville, Tenn., is another newly formed chain that has yet to build a sales track record. It's placing Energizers and Duracells at the front of the store near the checkout in four-sided freestanding racks or on a wall. Kodak batteries are paired with film, said Irv Martin, merchandiser.

Battery trade shares shift

Outlet	1990	1985
Discount	37	34
Food	29	25
Drug	14	18
Warehouse clubs	6	0
Hardware/home center	4	5
Others	10	18

Source: NFO Consumer Purchase Diary

Audio devices generate most battery use

(Why people buy batteries)

Item	1990	1985
Audio devices	26%	29%
Lighting products	16	20
Toys/games	14	18
Spares	16	3
Photo	7	9
Remote controls	5	1
Clock	3	4
Smoke detector	3	3
Calculator	2	5
Other	8	8

Source: NFO Consumer Purchase Diary

New items light up market

New products are a driving force in flashlight sales.

In the last 18 to 24 months, 40 percent of volume was done in new items, according to one industry source.

Eveready, Rayovac, Garrity and Duracell have been leading innovators for the mass merchant channel. Eveready restaged its lighting products line this year, with new products and packaging. New lights include a tilt-base work and auto lantern, an underwater light, a sport light and an outdoor area light/flashlight that works either as a regular beam or as a table area lamp. The area light/flashlight's SRP is $12.99. In April, Bartell Drug featured the light for $8.99.

The trend in flashlights this year will be European styling and jewel-tone colors, according to Kevin Garrity, Garrity Industries' vp-marketing.

Garrity is introducing the Hot Lite, which features a "swatch-type" motif, polka dots and jewel-tone color. The company is also introducing Power Lite multipacks from $4.99 to $9.99, and Life Lite, a model decorated with an American flag that Garrity provided to the Desert Storm operation.

Low-end plastic squeeze lights and personal lights have been successful in drug stores. Squeeze lights are even being put in trial size baskets as a unique merchandising slant.

Eveready's best-selling light is its plastic Economy flashlight with an SRP of $1.72. It's often sold at $1.19, $1.29; or with two on a card and four batteries and an SRP of $6.18.

Planograms in this category are are often in disarray, with multiple vendors offering similar lights, confusing the customer. Assortments have to be carefully planned and presented.

"You have to be conscious of your planogram, with good ads and off-the-shelf merchandising," says Gary Baker, director of sales, Eveready.

While low-end flashlights help spark volume, there is also room for drug chains to offer better-quality flashlights at higher price points. For example, persons who use flashlights on the job and serious hobbyists want durable lights with quality beams, says Gene Bailey, director of merchandising at RDS Drugs in Phoenix. Drug stores have an opportunity to promote highlights at key seasons, such Father's Day and Christmas, he adds.

AAs sell the most

(% share of $3.1 billion retail sales; 12-months ended June, 1990)

Size	Percent share
AA	35.6%
D	15.7
Specialty	14.5
C	14.2
9V	14.2
AAA	5.8

Source: Duracell

Videotapes regain momentum as price-cutting slows

For years, two major trends have characterized the market for blank videocassette tape: steadily decreasing prices at both the supplier and retailer level due to furious competition; and flat sales growth in both units and dollars as the market matures, demand levels off and competition keeps prices down.

Now, both trends appear to have run their course. For one thing, the market regained its growth momentum last year—in unit sales, if not in revenues—by smashing through earlier projections for a flat year with an unexpected 18 percent jump in unit sales. According to the Electronic Industry Association's Consumer Electronics Group, factory shipments of blank videotapes hit 338 million units in 1990.

Recession boosts sales

Ironically, much of the unexpected jump in demand was due to the recession that kicked in in the second half of 1990. "The year finished much stronger than anyone had anticipated," said John Ziemba, national sales director for audio/video consumer products at BASF. "In a recessionary period, people spend much more time at home. When times get difficult, it's good for our business."

Ziemba also attributed the gains to a "spike in retail promotions" as retailers pushed lower-priced products like videotapes to pull people back into the stores in a cautious spending climate.

Continued price-cutting by manufacturers kept dollar gains nearly flat, however.

Nevertheless, the rampant price-cutting may also have finally have run its course. "I hope we're near the bottom," said Mike Golacinski, vp-consumer audio/video products for Maxell. "It's an extremely price-driven business, but the past couple of price cuts have been much smaller in terms of percentages."

Diminishing returns

Tape manufacturers polled by *Drug Store News* were unanimous that economies of scale, manufacturing/distribution efficiencies and other factors driving down prices to retailers had reached a point of diminishing returns.

"When I started in this business eight years ago, the cost [to dealers] of T-120 tape was around $9.20. Now it's about $2.70, and the downward pressure is still on," said Peter Dyke, marketing manager for TDK. "There comes a point where any efficiencies [the manufacturers] make don't translate any more to great cost savings."

Blank videocassette unit sales surge in 1990, but dollar gains remain hard to come by

Year	Units* (millions)	Sales* (millions)
1987	273.8	$1,006
1988	296.9	936
1989	285.6	923
1990	338.0	948
1991**	334.0	924

*Factory sales to dealers, in units and dollars
**Revised projections; actual sales for 1990 revised upward from earlier projections.

Source: Electronic Industries Association, Consumer Electronics Group

Retail aspect

Suppliers complain they are being squeezed by cost pressures, but they readily admit the retail side of the videocassette business is no picnic, either. "The retailers want to make better margins, too, and you can't blame them," said one manufacturer. "Everybody complains about the margins, but drug store margins have remained fairly stable."

Drug chains now have roughly 10 percent of the total blank videotape market, according to one manufacturer's estimate, while discount chains retain a dominant 60 percent share. Supermarket chains are making gains, however, by going after customers already in their stores for other needs.

Drug chains, meanwhile, are getting more sophisticated about videotape merchandising and marketing. Chains like Pay Less NW, London Drugs, Phar-Mor and Bartell's are driving tape sales by pairing them in more creative ways with related products like audiotape, film and home electronics in full-fledged home entertainment sections. "They do well in this kind of setting," said Bartell president George D. Bartell.

Both food and drug chains are cashing in on a key demographic element: women now make up more than half of all blank videotape buyers.

Meanwhile, many drug chains are paring their selection of standard-grade tapes to fewer SKUs, but adding more high-grade and longer-playing tapes as niche and extra profit opportunities. Osco, Revco and Eckerd are three chains that have reportedly done well with T-130 and T-160 longer-playing videotapes.

A new survey conducted by 3M's Scotch brand division shows a definite trend among consumers toward higher quality tapes, which is good news for retailers. "Fifty-seven percent of those who responded told us they usually purchase premium grade videocassettes for consistent, high-quality video reproduction," said Dave Powell, divison vp for 3M's Consumer Video and Audio Products Division, which markets Scotch brand tapes.

TAPE PLAYERS
PHONOGRAPHS
TAPE RECORDERS

At a K&B store in Metarie, La., blank tapes are featured as part of highly visible audio department on the wall near the entrance.

Even with all the competition arising out of near-universal distribution of tapes, added TDK's Dyke, the business is still profitable. "Absolutely," he said. "We wouldn't see so many outlets carrying it if it didn't make money, and sophisticated drug chains are now offering higher-grade tapes on which there remain good margins."

The price-cutting by suppliers and retailers has also had at least one benefit. At this point, said Maxell's Golacinski, "The price has come down to the level that many consumers are buying on impulse, because even the everyday price is very attractive."

Added Brian Miller, consumer products marketing manager for Fuji Photo Film's Magnetic Products Division, "About fifty percent of blank video sales are now totally unplanned, impulse buys."

The price decreases have also boosted sales of higher-grade tapes, said Miller, because "they're no longer considered a big investment." That bodes well for drug chains that promote high-grade lines, says Miller and other suppliers, because margins tend to be higher for premium and longer-playing tapes than for standard-grade tapes, where discount stores continue to hold the lion's share of the market.

Products/promos launched

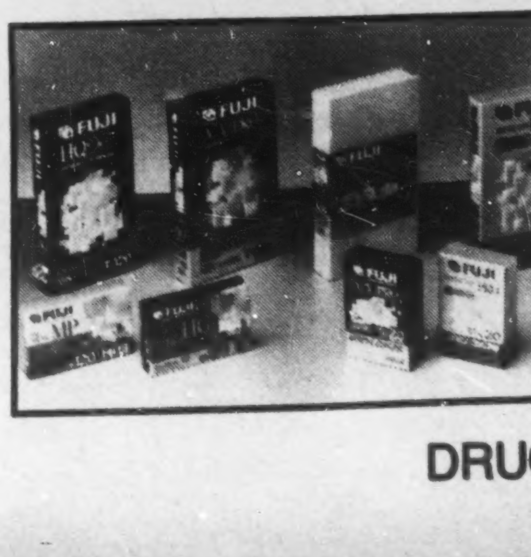
Here's a rundown of leading videocassette suppliers:

- 3M/Scotch has launched colorful, descriptive new packaging for its Scotch brand Head Cleaning Video Cassette which provides clear, easy-to-understand information on the purpose and use of the product.

Meanwhile, the company has been awarded exclusive sponsorship of the Children's Miracle Network Telethon for the video, audio and diskette product categories, and is offering a variety of video multipack promotions to help support children's hospitals. 3M/Scotch will make a donation to the network for each multipack purchased, up to $100,000.

Scotch
HEAD
CLEANING

- Fuji Photo Film U.S.A., Inc. offers the world's first line of double coated blank videocassettes. The technology features two separate layers of magnetic particles. The upper layer enhances mid- and high-frequency performance and the lower layer enhances low-frequency performance.

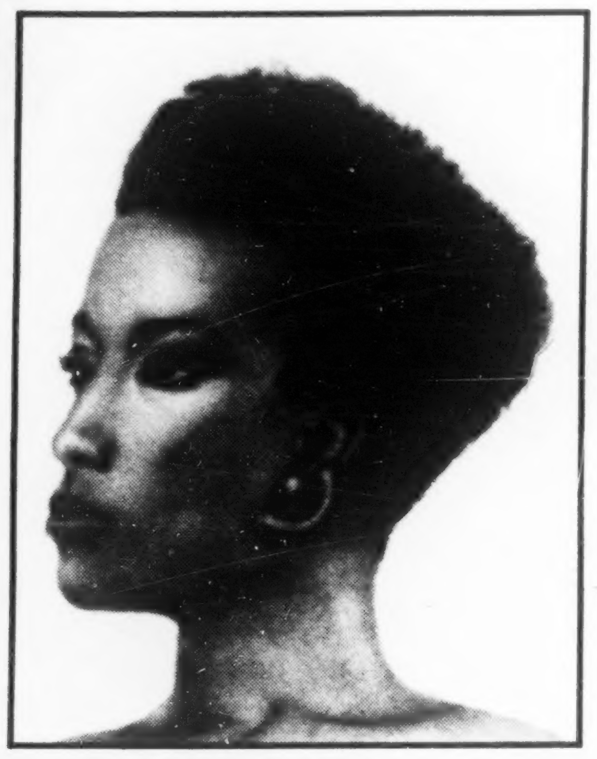


Included in the line: Fuji HQ; A/V Pro Super HG; A/V Master; Super VHS Pro; 8mm Metal MP Extraslim; Metal MP Super HG; and Hi8 Metal MP.

- BASF is rolling out a super high-grade version of its T-180 videotape, the longest-playing cassette available in the U.S. with nine hours of total playing time. Rounding out BASF's line of longer-play tapes are the T-130 with 6.5 hours of playing time; and the T-160, an eight-hour tape.

Also on tap for BASF: a T-120 videocassette for children. The standard-grade tape is marketed in a special package aimed at kids, with easy-to-follow illustrated instructions

Continued on page 19



Daniel Jackson **Age 17**

Anthony Johnson **Age 17**

Ethnic sales are stable despite moderate growth

By Elizabeth Parks

Ethnic, at the midway point of 1991, is generating single-digit sales growth at drug chains in most parts of the country. Buyers cite gains that range from flat to 5 percent—with some reporting high-volume ethnic stores up as much as 30 percent.

In California and parts of the Midwest, business is "sound and stable, but growth is flat to moderate," said Chuck Lewman, president of Paul's Sundries, Los Angeles.

At Eckerd, growth has stabilized after two solid growth years, a spokesperson said. The chain attributes the slowdown to the lack of exciting product launches. Growth may be rejuvenated, Eckerd execs said, by innovative products expected from Luster, launches in ethnic cosmetics and children's toiletries.

Double double digit

"We're doing very well with the category in ethnic neighborhood stores," Jim Harrison, Jr., president of Harco Drug, told *Drug Store News*. "We're getting double digit growth . . .by giving the category its due in the right neighborhood stores."

In New Orleans, both Jane Besthoff, who buys ethnic hair care for K&B, and Donna McManus, who buys ethnic cosmetics, report strong category growth. Besthoff cites merchandising changes as the big plus: "In the last year-and-a-half, we've gotten a better mix of product and our strengthened co-op advertising."

Mike O'Brien, who buys ethnic HBA for the Atlanta division of Harris Beauty Supply, based in Alexandria, Va., reported that 1990 category sales in its regions rose 8 percent to 10 percent, with much of the growth being driven by chains like Harco, Peoples, Kmart, Wal-Mart, Drug Emporium, K&B, Big B and Eckerd, all of whom are dedicated to this business.

Dan Medow, president of Standard Distributing, Detroit, also reports that business is growing "across all trade classes. At least one of our vendors is up 18 percent for the year."

Nielsen Marketing Research reports that for 1990, total ethnic hair care product sales through mass market outlets were down 0.5 percent, but the sharpest decline—12.6 percent—was registered in food stores.

Mass merchandisers, led by Kmart and Wal-Mart who are committed to the category, posted a 10.4 percent increase in ethnic. Drug chains, which account for 91 percent of all drug store ethnic hair care volume, rose 3 percent overall, Nielsen said.

"Sales are up in the ethnic hair care category," said AHBAI executive director Geri Duncan Jones. "The relaxer category is doing well. Styling aids are doing well. The growth overall is moderate, but it is up."

More imagination

Jones thinks that mass retailers, particularly drug chains, could grow more by following the examples of dedicated chains like Perry and Walgreens, and taking a more imaginative, less restrictive approach to merchandising the category.

"The new baby lines coming out, for example, definitely have a place in the market. But some of the drug chains have such tight restrictions on space, they haven't moved fast enough to bring them in yet," she said.

Towne-Oller, which tracks ethnic and general market HBA sales through several trade classes—including drug chains and beauty and barber supply stores—reports that 17 percent of all the new items introduced in the ethnic market during the past five years are now in the Top 200 best-seller rankings. In comparison, only 7 percent of new HBA items introduced in the general market are in the Top 200.

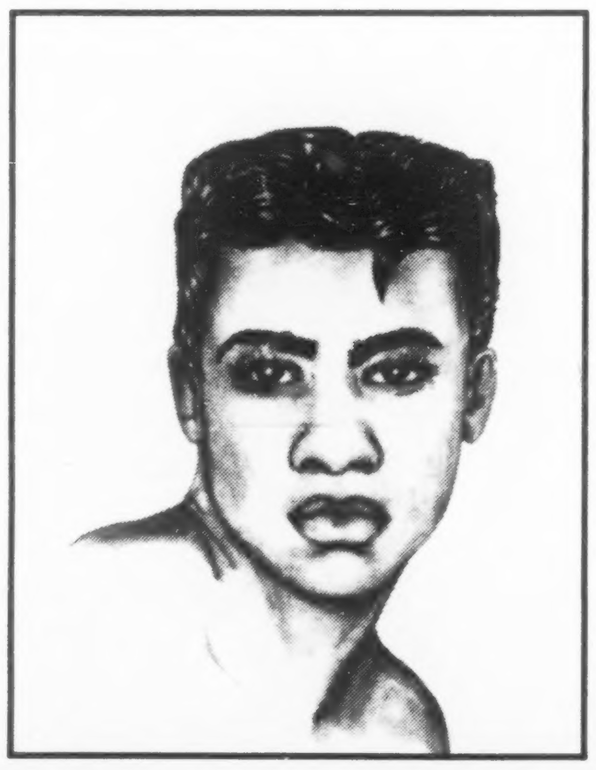
To drive home the point, Towne-Oller also reports that new items launched within the past five years now account for 24 percent of all ethnic HBA sales.

What's new

Jones points out that ethnic consumers thrive on new items and are prone to look for stores that stock what's new: "The B&B stores, especially, are open to anything new. If they have it and no one else has it, they get the business.

"Many drug chains will wait a year or so before they put in new items like this," she adds. "By the time they do, consumers have gotten used to buying them somewhere else."

All the illustrations on this page were drawn by student finalists in Perry Drug's Doo-It-Up contest.



Markus Spann **Age 16**

New items share of ethnic HBA sales

(Average of past 5 years)

New items	24.1%
Existing items	**75.9**

Source: Towne-Oller.

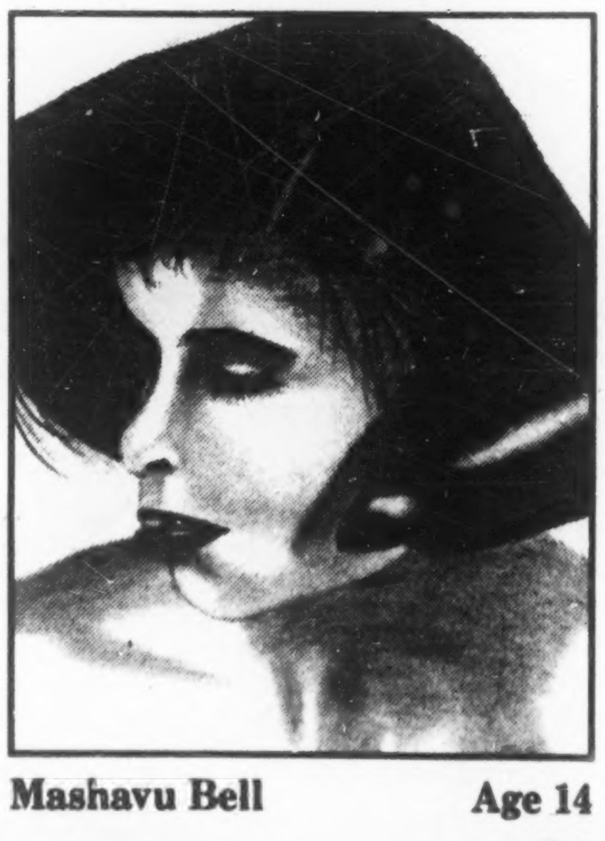
Ethnic hair preps dollar sales trends

(drug, discount and food stores)

Ethnic hair preps	1989 (millions)	1990 (millions)	% chng	% share of sales
Total all drug store sales	$168.4	$169.6	0.7	60%
Total chain drug store sales	150.3	154.9	3.0	54
Total food dollar sales	64.7	56.5	(12.6)	20
Total mass merchandise dollar sales	53.1	58.6	10.4	20
Total ethnic hair prep sales	296.2	284.7	(0.5)	100

Source: Nielsen Marketing Research

Lamarr Veal **Age 16**



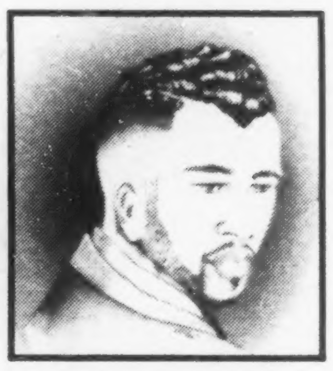
Mashavu Bell **Age 14**

Styling aids show growth across the board

The strongest growth in ethnic is being shown by: relaxer kits, spritzes, hot oils, gels, hair color kits, cosmetics, skin care and hosiery.

Over the past year-and-a-half, sales of hair relaxer kits, one of the biggest category segments, grew about 5 percent, led by the most heavily advertised brands: Carson's Dark & Lovely, Revlon and Gentle Treatment. Also included is Raveen, for its price/value positioning, say distributors Chuck Lewman, president of Paul's Sundries, Los Angeles, and Mike O'Brien of Harris Beauty Supply, Alexandria, Va.

Styling Aids/conditioners



De'Andre Glover
Age 17

Hair moisturizers, conditioners and styling/shine enhancers are growing in double digits, with almost every brand in these segments selling well.

"With hair styles getting longer and more people relaxing their hair, we're selling a lot more maintenance products," says Harris Beauty Supply's Mike O'Brien. He cited conditioners, sprays for sheen and hot oils as very popular categories now, led by the New Era Hot Oil, TCB Hot Oil and Luster's Pink Oil Moisturizer, especially the 12-oz. bonus pack that gives 50 percent more product for free.

The 4-oz. Let's Jam conditioning shining gel is among the top ten unit movers at many distributors—including No. 1 at Standard Distributing in Detroit and No. 6 in Paul's Sundries, Los Angeles.

Among newer items, Dan Medow at Standard reports that the New Era Spritz is quickly becoming one of his most demanded items. Isoplus Spritz is also selling well.

The 14-oz. bonus size TCB hair and scalp conditioner is a fast mover at Standard, as are Luster Oil moisturizers, TCB and Revlon Finisheen Oil Sheen sprays, Ampro's Protein & Styling Gel, Summit Pre Con Gel, Pro Line's Perm Repair Conditioner and Optimum Care's Nourishment Conditioner.

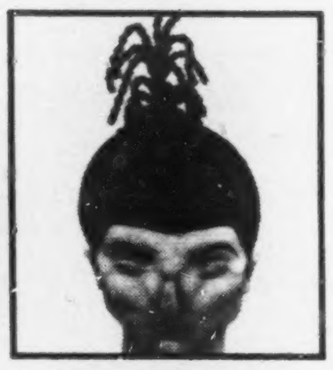
Curl maintenance products, such as the S Curl activators, the Right On Curl activators, Worlds of Curls gels and activators, and the Care Free Curl moisturizers and activators are also still in the top unit movement rankings at Standard, Paul's Sundries and Harris Beauty Supply..

In every region of the country, Carson's Magic Shave powders are also listed in Top 20 unit rankings, as are Strickland's Blue Magic Hair Dressing, Murray's Superior Hair Pomade, and LeKair's Cholesterol.

Castor oil is another growth niche in the maintenance category. Towne-Oller reports that the No. 1 brand in this segment is the All Ways Natural Enriched Castor Oil. Towne-Oller rankings also identify the All Ways Natural 911 Emergency Leave-In Conditioner, introduced last year, as one of the category's fastest growing new items.

According to Gary Yowell, vp-purchasing for Jack's Service in Oklahoma, many smaller manufacturers of styling and conditioning products, with relatively tight budgets, are using bonus packs, combinations and free samples to stimulate trial and usage. J.M. Products introduced Isoplus Spritz by giving away an 8-oz. bottle on-packed to Isoplus Oil Sheen, a proven top seller. The strategy worked: Isoplus Spritz and New Era Spritz are Yowell's two best sellers in the fast-growth segment.

Wrap lotions



U. Townsend
Age 17

For the past few seasons, buyers have been waiting to see how prevalent or influential the hair wrap style may become throughout the country.

They feel the jury is out on how hot this style will become, although they report that more women seem to be adopting the wrapped look. It is said to be less stressful to black hair than styles created from hot curls or chemical applications. They anticipate the introduction of more maintenance products.

Revlon's Roux Wrap 'N Tap, the first one out, is quite popular, said buyers. One described it as "one of the best new products."

Harris's O'Brien noted his company is "starting to get requests for wrap lotions. They've been coming in since early last fall, and it seems to be building."

J.M. Products is also launching a conditioning product for wrapped hair, Isoplus Wrap Lotion. Buyers expect it will "ride the coattails of the strong selling Isolus Spritz and Hot Oil" and do well.

Ethnic HBA new products

Brand Name	Manufacturer	Launch date by quarter	Comments
Almay Shaded Skin Care	Almay	3rd '91	Line Extension: New shades for ethnic skin, particularly black, Hispanic and Asian. 38 SKUs. Foundations, concealers, blush, powders. Hypo-allergenic.
Porcelana Fade Cream Original With Sunscreen	Dep Corp.	2nd '91	New print campaign plus select radio.
Black Radiance	Pavion	2nd '91	New "class for mass" line for black women. 68 SKUs. Face, lips, cheeks and eyes. $1.59 to $3.79
Tropez	Artmatic	1st '91	New value-priced/budget line for black, Hispanic and Asian women. 107 SKUs. Face, cheeks, eyes, lips and nails. 99 cents to $2.99
Shades of You	Maybelline	1st '91	New Ethnic Color line: 58 SKUs. 12 foundations, 18 lipsticks, concealers, powder blush, pressed powders, oil-free liquid makeups, oil-free souffle makeups. $3.35 to $5.50. $2.5 million ad support.
Baby Love Shampoo Conditioner Conditioning Detangler Moisturizing Creme Hairdress	Soft Sheen	1st '91	Hair care for black children. Gentle and effective. Targeted to children under 6.
Waterless Shave	Romay Products	1st '91	Shaving lotion made with vitamins that condition the skin. SRP $6.00. Formulated to solve the problem of in-grown hair and bumps.
All Ways Natural 911 Strengthening Finishing Mist	All Ways Natural	1st '91	Line Extension. Strengthens while adding shine.

Source: *Drug Store News Survey*

Ethnic categories continue to grow in fair market

Shampoos

Maurice Peeples
Age 18

Walter Johnson
Age 17

In the ethnic product category, price/value is another key barometer of a successful launch. Buyers report that the reason Soft Sheen's Optimum Care shampoo has sold so well is because consumers consider it to be a good product at a good price.

Until Soft Sheen launched Optimum Care, most shampoos in the ethnic category were packaged in 8-oz. containers, but were priced comparable to 16-oz. general market lines. Soft Sheen, buyers say, was the first to launch a 16-oz. shampoo made for ethnic hair types at a competitive price.

For some of our sources, that line has doubled in sales during the past six to nine months. The relatively new Bodi shampoo from Worlds of Curls is also starting to pick up good momentum, some buyers report.

Skin care

Markus Spann
Age 16

Skin care may not be a high-volume segment, but it performs consistently. Ambi, Dep's Porcelana Fade Cream, and Dr. Palmer's skin lotions, in particular, sell well, distributors report.

Most of the skin care products available in ethnic are HBA, a fact that has convinced some buyers there is a need for a more upscale franchised skin care line suited to black women.

"We've been asking for a skin treatment line for a long time now," said K&B's cosmetic buyer Donna McManus. "Nobody is offering a quality skin care line for black women in our trade class. That leaves a void we need to fill."

However, other sources say they're not totally convinced there is a need for such a specialty line. "The main problem with ethnic skin is uneven tone," said one chain drug buyer. "The tone can be uneven, too light or too dark. So there is a real need for brighteners and lighteners. But for all other moisturizing needs, brands like Noxzema, Neutrogena, Plenitude or [Oil of] Olay work just as well on black skin as they do on white."

Hosiery

Hosiery sales continue to rise, with sources citing Afrotique and Black Sugar as their best lines.

Lewman reports hosiery sales in some of Paul's Sundries chains are up 20 to 25 percent year-to-date, with some food stores grossing more than $1,000 a week in the segment. He said Satin Doll is a good seller in his markets.

All the illustrations on this page were drawn by student finalists in Perry Drug's Doo-It-Up contest.

Hair color

Leo Rosser
Age 16

Hair color is a bright spot in ethnic this year, generating double digit growth, most trade sources report.

In the west, Paul's Sundries overall business is flat, but hair color sales are jumping 20 percent.

Adds O'Brien: "It may be because the Baby Boom generation is getting into their 40s now, and for the most part, these are people very conscious about their looks. Carson's Dark & Lovely is unquestionably the leader, but Creme of Nature is selling well too."

Dark & Lovely

All sources reported that Dark & Lovely continues to dominate the segment, with some buyers reporting unit sales gains as high as 50 percent over the past six months.

The best selling shade: honey blonde.

For the first time, buyers say men's hair color products are also on the upswing. Several sources said that Just For Men has a new ethnic package that is boosting that single SKU. They expect Dark 'N Lovely to launch its first men's color line later this year.

Worrying about gray hair

"Black men are a big market for color," says Chuck Lewman of Paul's Sundries. "They worry a lot about gray hair. They use their wives' products now, but they need a national product of their own."

In Detroit, Medow says he's seen strong sales of High Beams, a temporary hair color line made by Continental Fragrances of this city. "It started as a salon line, and it's been coming on strong for the past year," he noted.

Best sellers in the Midwest

Top 15 Ethnic Categories

Category	Top items
Hair & Scalp Conditioners	Let's Jam Conditioning/Shining Gel. TCB Hair & Scalp Conditioner, 8 oz. plus bonus 6 oz. free
Relaxers	Dark & Lovely Creme Relaxer Regular. Dark & Lovely Creme Relaxer Plus.
Curl Maintenance-Activators	Right On Curl Activator 8 oz. Care Free Curl Gold Activator 8 oz.
Makeup	Posner Pressed Powder Nut Brown. Posner Pressed Powder Golden Bronze.
Curl Maintenance-Gels	Care Free Curl Lite Gel Activator 11.5 oz. Leisure Curl Activator Gel 8 oz.
Curl Maintenance-Moisturizers	Care Free Curl Moisturizer 8 oz. Care Free Curl Moisturizer 16 oz.
Hair Coloring	Dark & Lovely Honey Blonde Dark & Lovely Jet Black
Curl & Waves Kits	Duke Curl & Wave Texturizer Kit. S Curl Kit Regular.
Conditioners-Oil Moisturizer	Luster Oil Moisturizer 8 oz. Luster Oil Moisturizer 12 oz.
Oil Sheen Sprays	TCB Oil Sheen Spray 9.5 oz. Revlon Finisheen Oil Sheen Spray 13 oz.
Skin Tone Cremes	Dr. Fred Palmer Skin Whitener 2 oz. Ambi Cream—Oily Skin 2 oz.
Shampoos	Optimum Care Collagen Shampoo 16 oz. Creme of Nature Shampoo Reg. 8 oz.
Conditioners-Creme Hairdress	Pro Line Perm Repair 2 oz. Optimum Care Nourishment 4 oz.
Men's Shaving Products	Magic Shaving Powder/Gold 4.5 oz. Magic Shaving Powder/Blue 5 oz.
Styling Gels	Ampro Protein & Styling Gel 4 oz. Summit Pre Con Gel 4 oz.

Source: Standard Distributing, Inc., Detroit, Mich.

Top 10 items by units

In the Midwest

Rank	Brand
1.	Let's Jam Conditioning/shining gel 4 oz.
2.	Magic Shaving Powder Gold 4.5 oz.
3.	Magic Shaving Powder/Blue 5 oz.
4.	Ampro Protein & Styling Gel 4 oz.
5.	Luster Oil Moisturizer 8 oz.
6.	Dark & Lovely Creme Relaxer Reg.
7.	TCB Hair & Scalp Conditioner Bonus
8.	Dark & Lovely Creme Relaxer Plus
9.	Magic Shaving Powder/Red 5 oz.
10.	S Curl Activator 8 oz.

Source: Standard Distributing, Inc., Detroit, Mich.

Top 10 items by dollars

In the Midwest

Rank	Brand
1.	Let's Jam Conditioning/shining gel 4 oz.
2.	Dark & Lovely Creme Relaxer Reg.
3.	Dark & Lovely Creme Relaxer Plus
4.	Gentle Treatment Relaxer Plus
5.	Care Free Curl Moisturizer 16 oz.
6.	Luster Oil Moisturizer 8 oz.
7.	Duke Wave & Curl Texturizer Kit
8.	S Curl Kit Regular
9.	Excelle Creme Relaxer Regular
10.	TCB Hair & Scalp Conditioner Bonus

Source: Standard Distributing, Inc., Detroit, Mich.

Chains create programs to increase ethnic sales

Many drug chains are attempting to increase ethnic sales through stronger advertising and merchandising programs. Some chains are thinking of ethnic products as a category that needs momentum for growth to materialize. More aggressive operators are learning that community service programs, designed to benefit the black community, are one of the best ways to cultivate loyalty and build momentum.

Perry winners do it right

The 11 high school students who won this year's Perry Drug Doo-It-Up contest receive their awards. On their left is Wm. Juan Roberts of Doo-It-Up, on the right, Scott Gorley of Perry.

Perry program rewards and reaches out

When Perry Drug created Doo-It-Up two years ago, it became the first drug chain to create a consistent African-American advertising campaign themed to community service.

Perry itself sees it as a milestone because it marked the beginning of its outreach to the African-American community, said assistant vp-merchandising Scott Gorley.

For Doo-It-Up, Perry stages an annual art procurement contest among Detroit high school students. Twelve winners each get a $1,000 prize. The contest kicks off in August with a back-to-school promotion and ends in December, when award presentations are made.

Name brand products and manufacturers like Revlon, Posner and Carson are part of the program, sometimes as co-sponsors and sometimes through regular co-op advertising only. Brand name products at special sale prices are featured during the course of the program, but the primary emphasis of Doo-It-Up is on Perry's efforts to reward the accomplishments of talented black students.

Doo-It-Up also gives Perry continuity with the black community because it never really ends. The company uses the drawings and biographies of the award-winning students to enliven advertising for every promotion over the coming year.

The community reaction to the program has been so positive that the Detroit city council, the Michigan state senate and several other community agencies and leaders have developed awards of their own to honor Perry executives, as well as the honored students.

Gorley notes that for 1992, Perry has dozens of civic organizations that want to get involved in Doo-It-Up and make it bigger. For last year's Doo-It-Up, three times as many schools were involved as in the previous year.

One source described community service campaigns like Doo-It-Up as "the next level beyond price/value advertising." It includes price-/value, he said, because black customers want to see brand name products advertised at good sale prices, but it makes price/ value a secondary benefit. The primary benefactor is the campaign sponsor, who earns goodwill by putting something back into the community.

The **only** cold sore treatment
with **sunscreens. SPF=10**
HERPECIN-L®
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Growing more beautiful...
All Ways Natural is one of the fastest growing hair care manufacturers in the ethnic industry. For more information contact Brian K. Marks, Executive Vice President
1 (800) 23 53 In N.Y. 935-02

Community service key to chain promotions

AHBAI
THE PROUD LADY
Walgreens
Unite to Benefit
UNCF

Walgreen executives (left to right): Rich Robinson, buyer; Vern Brunner, exec. vp-marketing; Charles Walgreen III join Jory Luster, AHBAI chairman, and Geri Duncan Jones, exec. director to launch a promotion that will donate $50,000 to the United Negro College Fund.

> 'We want to be involved in all the communities where we *[Eckerd]* have stores. We think we should be giving back to the communities.'

Walgreens/AHBAI

Walgreens, a chain founded on the south side of Chicago, has "always believed in giving back to the community," a spokesperson said, though it is low-key and doesn't promote its community service the way Perry does.

For Black History Month earlier this year, Walgreens teamed up with the American Health and Beauty Aids Institute (AHBAI) in a community service promotion designed to raise money for the United Negro College Fund. Together, Walgreens, AHBAI and its members and suppliers donated $50,000 to UNCF.

The Walgreens source said the company didn't do any "special advertising" or anything on a par with Doo-It-Up, but ethnic neighborhood stores did advertise the featured items in black newspapers across the chain's 19 highest volume ethnic neighborhood markets.

Geri Duncan Jones, AHBAI executive director, described the promotion which ran from Jan. 15 through the end of February as "extremely successful." She said AHBAI will probably repeat it, possibly with regional chains as well as national chains like Walgreens. Each chain, however, will have an exclusive on the promotion in their markets.

"The idea came from our chairman, Jory Luster, who's always been concerned about how we can give back to the community. To be able to work with a retail partner like Walgreens made the promotion even better," she said.

Kmart's Send A Kid To Camp

Kmart has also pioneered the art of community service promotions. About four years ago, the chain created a Send a Kid to Camp campaign, which breaks in the spring in its Atlanta region.

For each purchase of advertised feature items, Kmart and participating vendors donate 25 cents to the YMCA and YWCA Camp Fund. So far, their contributions have sent over 200 underprivileged children to camp for two weeks.

Kmart, which has always been involved in community service programs, views such events "as a way to give something back to the community." This year, the chain will expand the program to stores in the Washington, D.C. market, a source said.

One sign of loyalty, perhaps: year-to-date sales of ethnic products are up about 10 percent.

Eckerd's Share the Dream

Eckerd Drug advertised on black radio stations in Atlanta to support a new community service promotion that the chain's district co-sponsored with the Coca-Cola Atlanta Bottling Company.

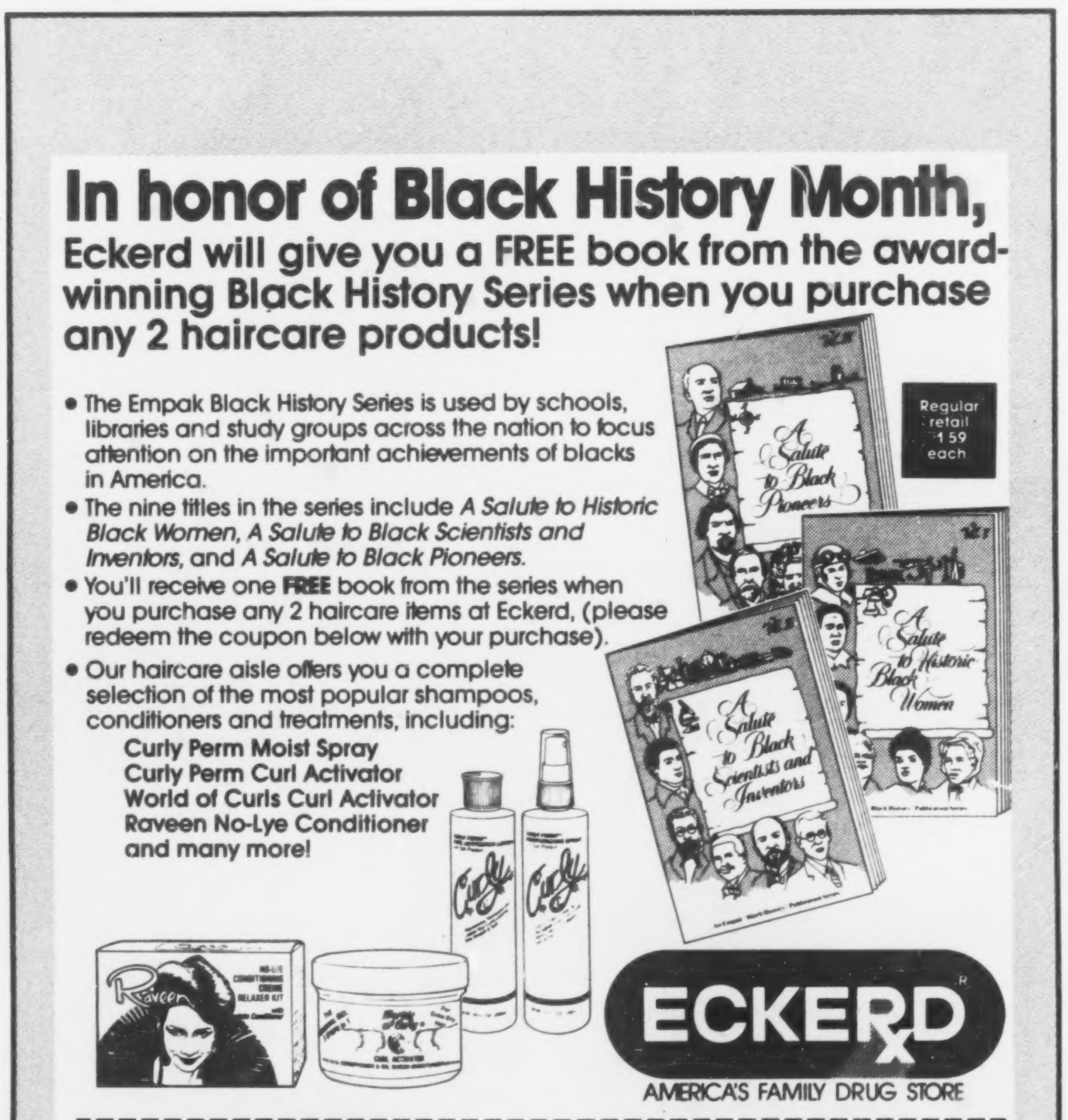
"Share the Dream" was staged in February for Black History Month. The grand prize winner received a $10,000 college scholarship.

An Eckerd source called the promotion successful, and noted the chain is looking for other ways to get involved with the community. "We want to be involved in all the communities where we have stores. We think we should be giving back to the communities where we do business."

Peoples/UNCF

For the third straight year, Peoples has sponsored a telethon for the United Negro College Fund in Washington, D.C. Last year's tally: $20,000 for UNCF.

One source said the chain's ethnic HBA sales in the past year have "grown a phenomenal 35 percent." Some other factors: a new ethnic planogram, a new competitive pricing structure, and a commitment to aggressive advertising in both print and black radio.



In honor of Black History Month,
Eckerd will give you a FREE book from the award-winning Black History Series when you purchase any 2 haircare products!

- The Empak Black History Series is used by schools, libraries and study groups across the nation to focus attention on the important achievements of blacks in America.
- The nine titles in the series include *A Salute to Historic Black Women, A Salute to Black Scientists and Inventors*, and *A Salute to Black Pioneers*.
- You'll receive one **FREE** book from the series when you purchase any 2 haircare items at Eckerd, (please redeem the coupon below with your purchase).
- Our haircare aisle offers you a complete selection of the most popular shampoos, conditioners and treatments, including:
  - Curly Perm Moist Spray
  - Curly Perm Curl Activator
  - World of Curls Curl Activator
  - Raveen No-Lye Conditioner
  - and many more!

Regular retail 1.59 each

ECKERD
AMERICA'S FAMILY DRUG STORE

FREE
One book from the Empak Black History Series
when you redeem this coupon with your purchase of any two haircare products at Eckerd. Coupon good through 2/28/91, or while quantities last.
Coupon must accompany purchase, and is redeemable only at Eckerd Drug stores.
ECKERD

A Salute to Black Pioneers
A Salute to Historic Black Women
A Salute to Black Scientists and Inventors
Curly
Curly
Raveen
000846G

Black beauty care products were featured throughout Eckerd's March 6 to March 19 in-store flyer, which was distributed chainwide—not just in ethnic neighborhood stores.

mart
Great savings for your individual style.
3.87
2.97
4.77
2.87
97¢
2.77
2.77
2.27

Kmart's four-color ads in black fashion magazines focus on price/value savings. Top selling brand name products are featured as Kmart's "great savings for your individual style."

> *One Peoples' source said the chain's ethnic HBA sales in the past year have 'grown a phenomenal 35 percent.'*

Varied, easy-to-create hairstyles are most in demand

Although no single hair care style is sweeping the black community, relaxed hair is still very popular. And, some knowledgeable sources say the wrap look, which starts out with relaxed hair, is becoming more popular throughout the nation.

"In hair fashion, the popular styles today are all based on what's easy to create and maintain, and what's healthy and good for the hair," says Mikki Garth-Taylor, beauty and cover editor for *Essence*.

Garth-Taylor says the wrap is becoming more popular because it's easy to style and it's healthy for the hair. "Black hair is so very fragile," she said. "Hair is especially vulnerable when it's over-processed, relaxed or colored."

The wrap is created by wrapping the hair around the head, setting it with a lotion, tying it with a scarf and brushing it out.

In her sojourns for *Essence*, Garth-Taylor says she is seeing a wide variety of new styles that don't "stretch, stiffen or elongate the hair beyond its natural capacity."

Photo credit: Essence/Kaz Chiba

Modern versions of "culturally inspired styles and techniques"—corkscrews, twists, Senegalese twists and coils—are the latest in styling trends, says *Essence*.

The wrap is becoming more popular because it's easy to style and it's healthy for the hair.

She adds that textured hair is also very popular. "Styles today are based on a variety of textures, whether they're put in or natural," she says. "You see a lot of free style bobs. Women are wearing braids that may be twisted into the hair and then taken out to create a wrinkled look. Corkscrews and puffy twists or double-strand twists are popular."

She said a lot of today's styles are based on African heritage-inspired techniques: braids, coifs and twists translated into modern shapes.

For both men and women, short cuts are still in. The style is to keep the short cut "scissor-fresh," Garth-Taylor says, with mandatory trips to the barber or salon every three weeks or so.

"Women are wearing a lot of caught-up hair styles that can be shaped and pinned rather than just curled or blown dry. Many like the sculptured look of the French knot or twist," she said.

Women, she added, are also refusing to suffer to maintain their looks. "Women are concerned first with their hair's health. Everything else falls under that."

Because black hair is fragile and vulnerable to dryness and brittleness, Garth-Taylor says it is essential for both women and men to use conditioning products that replenish the moisture in the hair.

That same concern with healthy hair styles is also causing men and women to question the products used on their children's hair. In its August issue, *Essence* is publishing a feature on how to care for the hair of black children.

Again, Garth-Taylor says the operative principle is "restful hair, styles and products that won't stress the hair, weigh it down or make it break. The right choice of hair accessories is important, as is the right choice for shampooing and conditioning products.

"The market is absolutely there for children's hair care lines," she adds. "A lot of children as young as five, six and seven are losing their hair because of stressful styles and handling. To prevent damage at that young an age, we have to inform mothers about what's good for their hair."

As for men, many sport the geometric cuts, with curly perms still popular and a lot more men wearing dreadlocks. Dreadlocks are long and tubular, but whether hair is long or short, Garth-Taylor says it is essential to use conditioners and moisturizers to keep it healthy.

Consequently, men and women are buying a lot of oils, gels, hair sprays, and other maintenance products that lubricate the hair, retain moisture, add sheen, give control and make hair easier to style.

Photo credit: Essence/Marili Forastieri

Models in black fashion magazines are wearing multi-row twists formed into a French braid and tucked under with hair ornaments.

Short cuts are still [popular]. The style is to keep the cut "scissor-fresh."

Photo credit: Essence/Kaz Chiba

Today's braids are long, intricate and very stylish. Says *Essence*: they demonstrate the "traditional arts of the plait, the underbraid, and the cornrow."

Facial and lip makeups are the focus of new ethnic lines

The ethnic cosmetic lines now being introduced by Maybelline, Almay and Simply Satin are primarily facial and lip makeups especially formulated for black skin.

Maybelline is launching a 58-SKU line with products for face and lip, the two areas where specialty formulas are most needed.

Robert N. Hiatt, president and ceo of Maybelline, describes Shades of You "as a completely new and unique collection, designed especially for women of color." None of the shades duplicate colors already available in the existing Maybelline line for general market customers.

The formulations for Shades of You use less titanium dioxide and a heavier pigment load of select blends of red, yellow, blue and black to eliminate the usual problem of a chalky look while providing colors that on black skin are "truer, deeper and richer."

Maybelline executives say that nail color and eye makeups haven't been included in the line because these needs are met by the existing Maybelline line. However the company says it is keeping its options open, and possibly in the future, it may expand Shades of You into a complete line of ethnic cosmetics.

Maybelline adds that their eye makeups are currently the number one selling brand among black women. An extensive sampling program and print ads are supporting the launch of Shades of You and the suggested retails are moderate, ranging from $3.35 to $5.50.

Almay's new line won't be out until the third or fourth quarter of this year, but buyers think this launch will add more excitement to the category.

Unlike Maybelline, Almay hasn't given their ethnic line a special name. Although it is formulated specifically for women of color and its shade ranges will be targeted to darker skinned women, it will be packaged and presented as an expansion of the Almay line that has been especially formulated to provide the optimum product forms, formulations and shades for the ethnic market.

There will be a special grid on the package to indicate that these particular products are specially formulated for darker complexions, but at press time Almay hadn't fully decided on what wording they would use in the band that will go on the package.

There are 38 SKUs in the line—all facial products. They will be priced the same as their companion products in the Almay line.

BEAUTY BEAT
LIZ PARKS

Almay plans to support the launch with print ads and possibly some radio.

They hope to back the launch with support from the professional community and public relations endorsements. Plus, management plans to expand its professional marketing programs to emphasize support from black and Hispanic dermatologists and skin care specialists.

Worlds of Curls' Simply Satin Cosmetics line, which launched last year, is still in limited distribution, but it's another line that ethnic cosmetic buyers are considering for possible additions to their planograms.

Simply Satin, a 67-SKU line, has formulas that address the specific needs of black and Hispanic women. SRPs range from $1.99 to $8.50.

Simply Satin is positioned as a "wide variety of fashionable shades designed to enhance today's appearance-conscious women." Management says the formulas are suitable for all skin types, while the pricing is moderate. SRPs range from $1.99 for the eye line pencils to $8.50 for the creme foundations. The line is being supported with print, outdoor ads, radio, sampling and coupons.

The industry's two leading budget cosmetic companies are both launching new lines of ethnic cosmetics: the new Tropez line from Artmatic and Black Radiance from Pavion.

Tropez is a full-budget ethnic color line with face makeups, concealers, blushes, as well as the traditional lip, nail and eye color items.

In a variety store chain's test, a source said Tropez did over $300,000 in three months. It is now in about 600 of this chain's stores. There are 107 SKUs in the line priced between 99 cents and $2.99. The average retails, however, are between $1.69 and $1.99

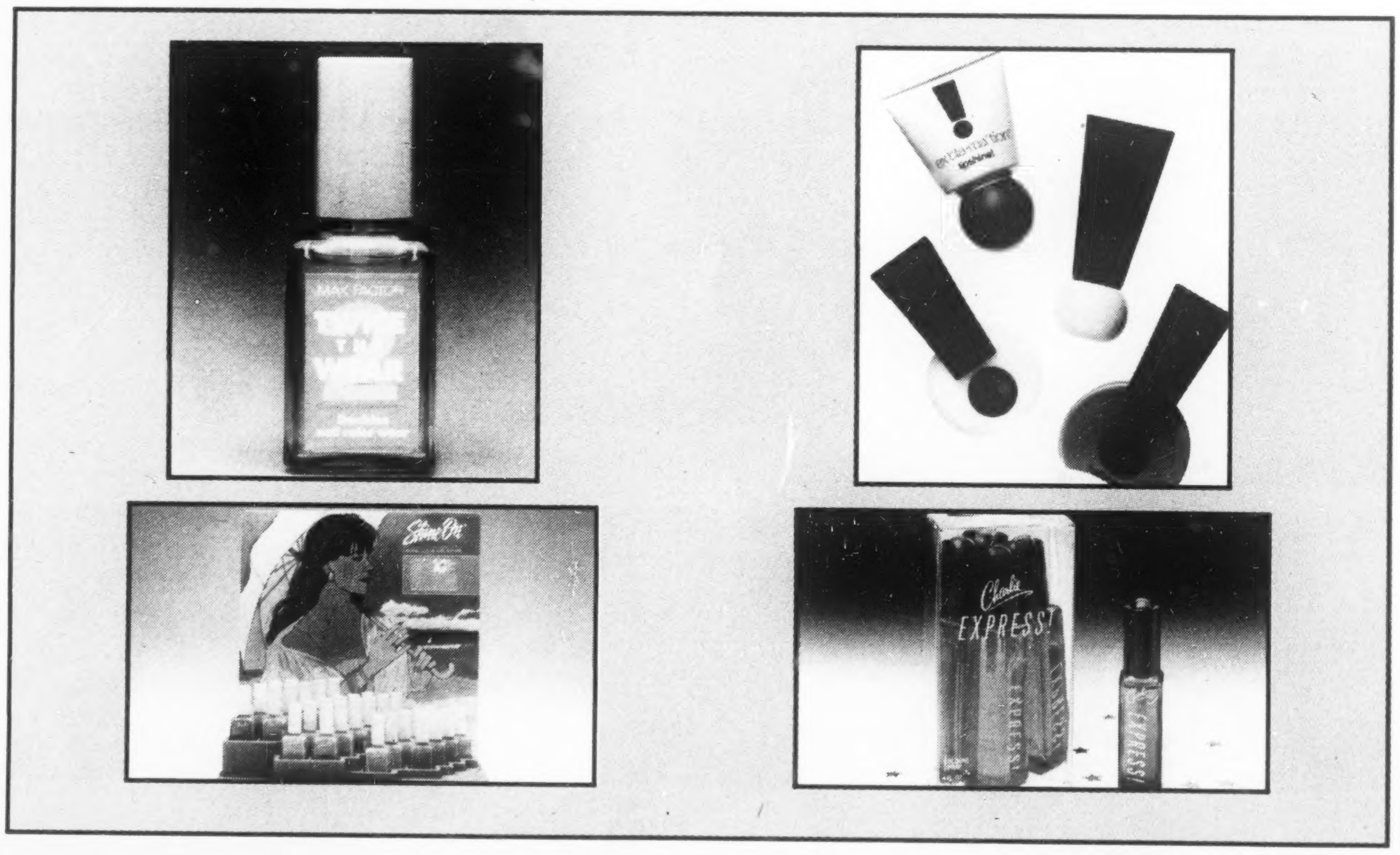
Black Radiance is a 68-SKU line formulated to offer the quality and selection of department store products at affordable price points. It is not positioned as a budget line, but as a "class for mass" line. The color palette for face, lips, cheeks and eyes is vibrant and intense. Suggested retails range from $1.59 to $3.79. Pavion says the color range can satisfy 33 shades of skin types.

* * *

Almay execs say there are a number of reasons why they are now introducing a shaded skin care line. They explain that ethnic consumers spend three times more per capita on beauty products than general market consumers, an estimated $500 per person annually.

Sales of HBA products to ethnic consumers are projected to reach $3 billion this year, up 76.5 percent in the past eight years.

Maybelline says research shows that while black women currently spend $600 million or more on cosmetics, many remain dissatisfied with the quality and range available at the mass market level.



Nail Care

Twice the Wear is a protective polymer sealer for nails. It at least doubles the life of nail color wear and adds shine and a salon-like finish. The consumer applies one thin coat of the sealer over two coats of color, then touches up with the sealer every other day.

It dries quickly and smoothly and is easily removed. It protects against color fading, chipping, tipping and peeling and it is detergent resistant.

Available in July, it will be sold in a 3.5-ounce bottle with an SRP of $6.50.

Max Factor & Co., Revlon, Inc., 12100 Wilshire Blvd., Los Angeles, Calif. 90025. (213) 442-2000.

* * *

Cutex has blended sunscreen, color and coconut oil in a new shade collection entitled, Sheer Protection by Shine On Lasting Color Nail Enamel.

The transparent pastel color washes contain the scent of coconut oil and protective sunscreens so manicures will not fade or discolor from the sun.

The line comes in six shades: Almost Mauve, Sheerly Pink, In The Buff, Bare Rose, Pale Peach and Hint of Lilac.

Cutex, Chesebrough Pond's, 33 Benedict Pl., Greenwich, Conn. 06830. (203) 661-2000.

Cosmetics

Revlon's Billion Dollar Bronzes is a line of colors for the face, eyes, lips and nails.

For the face, Medium Bronze, a tri-tonal palette of matallics, is the color for Micro-Gems Solid highlighting powder.

For the eyes, the Overtone shadow line has Billion Dollar Bronzes—four hues from deep gray bronze to soft copper rose—and the Waterproof Eye Shaper in onyx.

For the lips and nails, Super Lustrous lipstick and Crystalline nail enamel's four shades are Highbeam Rose, Tan, Copper and Bronze. The colors range from copper rose to metallic bronze.

SRPs are: $7.50 for the highlighting powder; $4.95 for the shadow; $3.95 for the eye shaper; $5.25 for the lipstick; and $3.65 for the nail enamel.

Revlon, Inc., 625 Madison Av., New York, N.Y. 10022. (212) 527-4000.

* * *

Coty introduces !exćla ma´tion Color, a line of lipcolors, lipshines and nailcolors, all with varying shades of pink.

For lipcolor!, the creamy, moisture-rich formula's shades include pinkaboo!, pinklamation! and pinkredible!, each with an SRP of $4.95. Lipshine! is a sheer, high shine gloss, and the color is called pink a go go!, carrying an SRP of $3.95. Nailcolor! the long-wearing, mirror-like finish polishes, carry the same color names as those for lipcolor!, and have an SRP of $3.95.

All will be sold in a promotional display with !exćla ma´tion Cologne Spray in the .375-ounce bottle (SRP $3.95).

Coty, Div. of Pfizer, Inc., 235 E. 42nd St., New York, N.Y. 10017. (212) 573-2730.

Compacts

The Alloyd Company has made a two-piece, radio frequency sealed clamshell package for Revlon's "Face Up to the '90s" relaunch of powders, blushes and makeup.

The new packaging eliminates outer cartons on all compacts, and it encases the product in transparent plastic, allowing for easy color, texture and applicator selection. Consumers can open the package quickly by bending the scored top forward and pulling the back flap down, ultimately removing the entire back panel, and reducing the risk of dropping or breaking the product.

The package features enhanced point-of-sale visibility for all compacts.

Alloyd Co. Inc., 1401 Pleasant St., P.O. Box 627, DeKalb, Ill. 60115-0627. (815) 756-8451.

Fragrances

Charlie Express!, from Revlon, is an updated version of the classic Charlie. Fragrant florals—osmanthus, ylang, rose, amaryllis and jasmine—are combined with cassis, green and amber notes.

The rectangular-shaped blue glass bottle with a violet and blue cap are packaged in a clear carton with silver mylar lining to create a mirrored effect.

SRP for the .5-ounce is $9.95, and for the 1-ounce is $14.

Revlon, Inc., 625 Madison Av., New York, N.Y. 10022. (212) 527-4000.

McK posts new highs for 4th quarter, year

SAN FRANCISCO — Gains by its drug distribution and PCS managed prescription care businesses helped McKesson Corp. post new highs for the fourth quarter and fiscal year ended March 31.

Corporate revenues for the quarter were $2.17 billion, up 4 percent from the $2.09 billion reported in the year-ago period. Earnings from continuing operations gained 49 percent for the quarter, to $27.2 million from $18.3 million reported in fourth-quarter 1990, which was adversely affected by a $20 million pretax provision for doubtful accounts receivable.

Net income for the quarter and fiscal 1991 reflected a loss from discontinued operations of $4.6 million. The loss included a previously announced settlement of litigation brought against McKesson by CPC International, arising from the 1983 sale of the C.F. Mueller Co. to CPC. Quarterly net income, after reflecting the loss in discontinued operations, rose 23 percent, to $22.6 million from $18.3 million.

For the year, revenues wereup 8 percent, to $8.42 billion from $7.79 billion, and income from continuing operations gained 7 percent, to $105.3 million from $98.7 million. Net income was $100.7 million, up 2 percent from $98.7 million.

Drug distribution revenues for the fourth quarter increased 6 percent, to $1.85 billion, and operating profits jumped 56 percent, to $42 million. Fourth-quarter results of the prior year included a $16 million provision for doubtful accounts. For the year, drug distribution revenues were up 10 percent, to $7.10 billion, and operating profit gained 18 percent, to $162.4 million.

Excluding bulk sales to chains and the prior-year writedown, pharmaceutical distribution operating margins for the fourth quarter and year were both 3.01 percent, versus 3.33 percent and 3.16 percent respectively, in the year-earlier periods.

Fiscal 1991 margins were affected by a substantial increase in data processing expenses relating to implementing McKesson Drug's new Econolink system for hospitals, as well as systems developed to supported independents and chains, the company said.

PCS revenues were also up for the quarter and year. Quarterly revenues rose 17 percent, to $27 million, and year-end revenues were up 16 percent, to $95.5 million, excluding sales of a unit sold in February 1990. Operating profit for the quarter gained 30 percent, to $7.3 million and, for the year, 126 percent, to $24.8 million.

Safeway offers 17.5M shares; income increases 78 percent

OAKLAND, Calif. — Safeway said it has offered 17.5 million shares of common stock at $20.50 per share, the net proceeds of which will be used to help fund its previously announced $3.2 billion five-year capital expenditure plan.

The offering is being handled by a syndicate of underwriters led by Goldman, Sachs; Merrill Lynch; and Morgan Stanley.

Safeway also reported its results for the first quarter ended March 23. Net income rose 78 percent, to $26.7 million, or 26 cents per share, from $15 million, or 17 cents per share in the year-earlier period.

Sales were $3.4 billion, up 1.9 percent from the period in 1990. Same-store sales gained 0.7 percent for the quarter.

O&M sales and earnings increase for first quarter

RICHMOND, Va. — Owens & Minor posted gains in sales and earnings for first-quarter 1991 ended March 31.

Sales were $312.96 million, compared with $292.56 million in the comparable period a year ago. Net income was $2.3 million, or 27 cents per share, versus $1.5 million, or 18 cents per share, in the year-earlier quarter.

MARKET DIARY:

Largest Dollar Gainer	Merck Co	$ 4.00
Largest Dollar Loser	Great Atlantic & Pacific Tea	$ − 8.25
Largest Percentage Gainer	Halsey Drug	29.41%
Largest Percentage Loser	Great Atlantic & Pacific Tea	−15.79%

Advances	16
Declines	40
Unchanged	2
New highs	17
New lows	0

	Close 4/18/91	Close 5/7/91	Net Change	Percent Change
Drug Store News Index	4253.73	4111.56	−142.17	−3.34
Dow Jones Industrial Average	2999.26	2917.49	− 81.77	−2.73
Standard & Poor's 500-Stock Index	388.46	377.32	− 11.14	−2.87
N.Y.S.E. Composite	212.26	206.65	− 5.61	−2.64
Value Line Index	245.95	239.79	− 6.16	−2.50

Source: Nordby International Inc., Boulder, Colo.

Exch	Company	Ticker Symbol	Closing Price 4/18/91	Closing Price 5/7/91	Net Change In Period	Percent Change In Period	P/E Ratio	Annual Dividend Rate	Annual Dividend Yield	Annual High	Annual Low
Chain store transactions											
OTC	Accuhealth Inc.	ACCU	6.63	6.75	0.13	1.89	26	0.00	0.00	7.56	4.50
OTC	Arbor Drugs	ARBR	26.50	24.25	−2.25	− 8.49	20	0.20	0.82	29.75	13.25
OTC	Big B	BIGB	12.75	12.75	0.00	0.00	− 67	0.00	0.00	13.63	4.75
OTC	Drug Emporium	DEMP	9.00	7.75	−1.25	−13.89	12	0.12	1.55	11.00	6.63
NYS	Fay's Inc. (H)	FAY	14.63	14.13	−0.50	− 3.42	17	0.20	1.42	15.75	7.25
ASE	Genovese Drug (H)	GDX.A	10.63	11.13	0.50	4.71	13	0.24	2.16	11.38	5.50
NYS	Longs Drug Stores	LDG	40.88	42.75	1.88	4.59	15	1.04	2.43	43.63	30.88
OTC	Medicine Shoppe (H)	MSII	26.13	24.13	−2.00	− 7.66	20	0.24	0.99	28.75	15.50
NYS	Perry Drug	PDS	7.00	6.13	−0.88	−12.50	− 61	0.00	0.00	9.88	3.75
NYS	Rite Aid Corp.	RAD	46.63	42.50	−4.13	− 8.85	16	1.00	2.35	47.75	29.50
NYS	Walgreen Co.	WAG	35.00	32.38	−2.63	− 7.50	22	0.44	1.36	35.88	21.13
Wholesaler's transactions											
ASE	Bergen Brunswig	BBC	31.13	27.00	−4.13	−13.25	14	0.40	1.48	32.75	21.38
OTC	Bindley Western Ind.	BIND	16.75	17.75	1.00	5.97	17	0.04	0.23	17.88	8.63
OTC	Cardinal Distribution (H)	CDIC	37.88	36.00	−1.88	− 4.95	30	0.08	0.22	39.75	18.25
OTC	Durr-Fillauer (H)	DUFM	31.25	33.00	1.75	5.60	24	0.28	0.85	33.00	16.00
ASE	Ketchum	KCH	2.25	2.13	−0.13	− 5.56	− 3	0.00	0.00	2.75	1.25
NYS	McKesson Corp.	MCK	33.25	34.63	1.38	4.14	14	1.60	4.62	36.00	26.88
ASE	Moore Medical (H)	MMD	8.25	7.63	−0.63	− 7.58	33	0.00	0.00	9.25	3.50
NYS	Owens & Minor	OMI	19.75	20.00	0.25	1.27	18	0.28	1.40	21.88	10.88
Manufacturer's transactions											
NYS	Abbott Labs (H)	ABT	52.75	50.88	−1.88	− 3.55	22	1.00	1.97	54.00	34.13
NYS	American Home Products (H)	AHP	62.63	59.25	−3.38	− 5.39	15	2.28	3.85	63.88	43.00
ASE	Barr Laboratories (H)	BRL	19.00	18.25	−0.75	− 3.95	41	0.00	0.00	19.88	5.38
NYS	Baxter International (H)	BAX	36.75	34.50	−2.25	− 6.12	19	0.72	2.09	37.13	20.50
OTC	Block Drugs Co. (H)	BLOCA	55.00	53.25	−1.75	− 3.18	19	0.80	1.50	56.00	29.63
ASE	Bolar Pharmaceutical	BLR	4.63	4.00	−0.63	−13.51	− 3	0.00	0.00	8.25	1.88
NYS	Bristol-Myers Squibb	BMY	79.38	78.50	−0.88	− 1.10	23	2.40	3.06	80.38	55.38
NYS	Carter-Wallace (H)	CAR	66.75	61.50	−5.25	− 7.87	18	0.92	1.50	67.63	44.88
ASE	Columbia Labs	COB	8.50	9.00	0.50	5.88	− 7	0.00	0.00	13.00	3.63
ASE	Forest Labs	FRX	38.38	35.38	−3.00	− 7.82	41	0.00	0.00	42.13	18.75
ASE	Halsey Drug (H)	HDG	4.25	5.50	1.25	29.41	34	0.00	0.00	5.50	2.13
NYS	ICN Pharmaceutical	ICN	5.25	5.50	0.25	4.76	− 3	0.00	0.00	6.13	2.50
ASE	Lee Pharmaceutical	LPH	1.38	1.25	−0.13	− 9.09	− 5	0.00	0.00	2.75	0.88
ASE	Leiner P. Nutrition (H)	PLI	12.75	12.63	−0.13	− 0.98	11	0.00	0.00	13.38	6.75
NYS	Lilly Eli Co.	LLY	82.25	76.13	−6.13	− 7.45	19	2.00	2.63	90.38	65.63
NYS	Marion Merrell Dow	MKC	37.00	35.25	−1.75	− 4.73	19	0.80	2.27	39.63	22.75
NYS	Merck Co. (H)	MRK	113.63	117.63	4.00	3.52	25	2.24	1.90	117.63	72.38
NYS	Mylan Labs	MYL	25.50	24.13	−1.38	− 5.39	27	0.20	0.83	28.00	13.75
NYS	Par Pharmaceutical	PRX	4.38	3.75	−0.63	−14.29	− 3	0.00	0.00	8.13	3.38
NYS	Pfizer Inc.	PFE	56.75	56.88	0.13	0.22	23	1.32	2.32	58.38	28.25
NYS	Rhone-Poulenc Rorer	RPR	79.13	82.25	3.13	3.95	−158	0.84	1.02	83.25	56.75
NYS	Schering Plough	SGP	50.00	50.88	0.88	1.75	19	1.32	2.59	52.25	40.38
NYS	Syntex Corp.	SYN	42.75	41.25	−1.50	− 3.51	23	0.92	2.23	43.75	24.63
OTC	Taro-Vit Industries	TAROF	4.13	4.13	0.00	0.00	−103	0.00	0.00	4.25	0.88
NYS	Upjohn Co.	UPJ	47.63	44.25	−3.38	− 7.09	17	1.16	2.62	49.25	33.00
NYS	Warner-Lambert	WLA	79.38	75.00	−4.38	− 5.51	20	1.76	2.35	82.25	52.88
OTC	Zenith Labs	ZENL	8.75	9.50	0.75	8.57	13	0.00	0.00	10.00	3.75
Other retailer transactions											
NYS	Albertson's (H)	ABS	50.63	45.50	−5.13	−10.12	26	0.56	1.23	51.38	28.00
NYS	American Stores	ASC	90.75	86.00	−4.75	− 5.23	16	1.12	1.30	86.00	42.63
NYS	Giant Food	GFS.A	30.38	28.75	−1.63	− 5.35	14	0.64	2.23	31.25	21.13
NYS	Great Atlantic&Pacific Tea	GAP	52.25	44.00	−8.25	−15.79	11	0.80	1.82	59.63	37.75
NYS	Kmart	KM	42.38	41.00	−1.38	− 3.24	11	1.76	4.29	43.50	23.38
NYS	Kroger	KR	23.38	21.63	−1.75	− 7.49	18	0.00	0.00	24.50	10.63
NYS	Melville Corp.	MES	52.75	49.00	−3.75	− 7.11	14	1.44	2.94	57.75	32.75
OTC	Fred Meyer (H)	MEYR	18.25	17.00	−1.25	− 6.85	12	0.00	0.00	19.25	10.00
NYS	Penney, JC	JCP	51.75	53.00	1.25	2.42	12	2.64	4.98	68.00	37.38
NYS	Safeway	SWY	20.50	19.38	−1.13	− 5.49	19	0.00	0.00	21.63	10.25
NYS	Smith's Food & Drug	SFD	43.00	40.13	−2.88	− 6.69	28	0.36	0.90	43.75	24.75
NYS	Wal-Mart	WMT	42.88	40.75	−2.13	− 4.96	36	0.16	0.39	44.25	24.88

Key: (H) = New annual high reached in the bi-weekly period. (L) = New annual low reached in the bi-weekly period. (d) = Deficit. NYS = New York. ASE = American. OTC = Over the counter. (s) = Reflects stock split.
Source: Nordby International, Inc., Boulder, Colorado (303) 449-0326.

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